Project Tracking No.: P-002-FY06-DEA

Return on Investment (ROI) Program Funding Application

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FINAL AUDIT REQUIRED: The Enterprise Quality Assurance Office of the Information Technology Department is required to perform post implementation outcome audits for all Pooled Technology funded projects and may perform audits on other projects.

This is a Pooled Technology Fund Request. Amount of funding requested: $300,000.00

Section I: Proposal

Date:	7/14/2004
Agency Name:	Elder Affairs
Project Name:	Iowa SEAMLESS Resource Center
Agency Manager:	Greg Anliker
Agency Manager Phone Number / E-Mail:	(515)242-3383 / greg.anliker@dea.state.ia.us
Executive Sponsor (Agency Director or Designee): Jim Matre	

A. Project Summary

Describe the nature and use of the proposed project, including what is to be accomplished, how it will be accomplished, and what the costs and benefits will be.
Response:

The Iowa SEAMLESS project is sponsored by Elder Affairs (DEA) to promote client access to service for its target population of elderly. SEAMLESS enables DEA to cross departmental and program boundaries by being able to intake a client profile and provide the necessary data to different service programs for eligibility analysis and service intake. This provides Iowas elderly population with an any open door methodology to access services. The Resource Center project ties together both public and private services and funding sources in support of the elderly population and the developmentally disabled population. The resource center provides statewide services and contact information necessary to begin the eligibility processes. This project will link SEAMLESS with the Resource Center by providing the integration of the next logical step. A client may browse services via the internet, through a telephone support group or through in-person contact with any public or private service provider. For those services sponsored through SEAMLESS, the person may build a client profile that is then matched against pre-screen criteria. For those services where a client meets the pre-screen, the client information is passed electronically to the various providers and agencies. This information is electronically imported to the providers intake system to begin the formal program intake and eligibility process.

B. Strategic Plan

How does the proposed project fit into the strategic plan of the requesting agency?
Response:

The Department of Elder Affairs, the Administration on Aging, and the Center for Medicare and Medicaid have targeted the elder and developmentally disabled populations as significantly an underserved group. There is a compounding problem with overlap of services. The Resource Center is designed to promote better understanding of services available and the mission of Elder Affairs is to promote better and easier access for these populations to both public and private service providers. Two years ago, Elder Affairs designed project SEAMLESS as our strategic plan to address easier, more effective intake of out target

population of services. The linking of SEAMLESS and the Resource Center directly supports the furtherance of not only Elder Affairs strategic direction and plans, but also furthers the federal Olmstead task force initiatives towards these underserved populations.

C. Current Technology

Provide a summary of the technology used by the current system. How does the proposed project impact the agency's technological direction?
Response:

When Elder Affairs established project SEAMLESS, we chose SQL Server for our data store and Web programming as our primary front-end. The Resource Center is build on this same foundation and DHS has established SQL Server as its primary data store for ISIS which is used for Medicaid Facilities and Waivers program. ISIS is case management tool for a large overlapping population group served by DEA and DHS. In addition, there is a potential for DEA and DHS to cooperatively work together at the technology level to ensure not only compatibility but easy linking between data sets which lowers costs and increases the ease of passing data from SEAMLESS to DHS.

D. Statutory or Other Requirements

Is this project or expenditure necessary for compliance with a Federal law, rule, or order?
☑ YES (If "Yes", cite the specific Federal law, rule or order, with a short explanation of how this project is impacted by it.)
Explanation:
DEA is required by the Federal Olmstead Task Force to increase access to services.

Is this project or expenditure required by state law, rule or order?
☐ YES (If "YES", cite the specific state law, rule or order, with a short explanation of how this project is impacted by it.)
Explanation:

Does this project or expenditure meet a health, safety or security requirement?
☑ YES (If "YES", explain.)
Explanation:
Every year, many elderly Iowans are unnecessarily hospitalized because they lack access to programs designed specifically to meet their needs. The Elderly population has difficulty, in an independent manner, finding these services, let alone working through the intake and eligibility processes. SEAMLESS, the Olmstead Task Force, DHS, and DEA are all tasked with the responsibility of providing this assistance. This project greatly simplifies and expands access to Federal, State, Local and Private service providers.

Is this project or expenditure necessary for compliance with an enterprise technology standard?
☐ YES (If "YES", cite the specific standard.)
Explanation:

[This section to be scored by application evaluator.]

E. Impact on Iowa's Citizens

a. Project Participants

List the project participants (i.e. single agency, multiple agencies, State government enterprise, citizens, associations, or businesses, other levels of government, etc.) and provide commentary concerning the nature of participant involvement. Be sure to specify who and how many **direct** users the system will impact. Also specify whether the system will be of use to other interested parties: who they may be, how many people are estimated, and how they will use the system.
Response:

Department of Elder Affairs - DEA has the primary responsibility of working with the Iowa elderly population to promote and increase access to services. For this project, DEA provides coordination between other participants.

Department of Human Services - DHS is the States primary overseer of providers and services for the Elderly and Developmentally Disabled. There are many services within DHS who will receive profile data collected through the SEAMLESS and Resource Center to take the clients through the eligibility process, matching of providers & services, and through the receipt of services.

The Olmstead Task Force and Real Choices Advisory Board - This group has as its mandate to increase access to services for these target populations.

Department of Public Health - DPH provides many State and County level services. These service groups would receive intake take from SEAMLESS and similar to DHS, take the clients through the elibility process, matching of providers & services and through receipt of services.

Area Agency on Aging (AAA) - This organization, similar to DHS and DPH, will receive intake information and coordinate access and receipt of services.

University of Iowa Centers for Disabilities and Development and its Center on Aging - Similar to AOA, DPH and DHS. Additionally, they are the primary sponsor group for the Resource Center.

Department of Administrative Services Information Technology Enterprise - Provides hosting services for DHS and Elder Affairs including SEAMLESS.

b. Service Improvements

Summarize the extent to which the project or expenditure improves service to Iowa citizens or within State government. Included would be such items as improving the quality of life, reducing the government hassle factor, providing enhanced services, improving work processes, etc.
Response:

There are 3 critical factors for the elderly and developmentally disabled populations to receive services.
1. They must know about the service,
2. They must be eligible for the service,
3. They must be capable to receive the service.

Currently there are many programs designed to meet the needs of this population and great strides have been made in service delivery - from home delivery, to ride share, to community housing and much more is in the works. However, reaching this group is very difficult because of the splintered nature of the information available and the complex eligibility processes. The Resource Center is designed to centralize access to information in a coordinated manner. This leaves the intake and eligibility processes as the final hurdle to overcome. This project will take a great step forward in this direction.

With all elements working together, a client may access the information him/herself or with support from either caregiver, a provider, a neighbor, a friend, a call center, a State Caseworker from any of the groups previously mentioned. From this access, they can then profile themselves centrally and this data can be provided to various eligibility processes to begin the intake and eligibility process. This provides a clean handoff between support organizations such as Elder Affairs and the tasked service providing organizations such as DHS, DPH or the many private service providers. From initial contact to final service delivery, this group has a support mechanism available to them at every step of the road - Greatly reducing or eliminating those cracks that so many of our Iowans fall through.

c. Citizen Impact

Summarize how the project leads to a more informed citizenry, facilitates accountability, and encourages participatory democracy. If this is an extension of another project, what has been the adopted rate of Iowa's citizens or government employees with the preceding project?
Response:

First, Iowans have greater information available, organized based on their particular needs. For the first time, a particular person in need a specific service will be able to see all the various providers and organizations providing the service along with location, contact information and eligibility criteria.

Second, this project reaches out to our most underserved populations in the most need of services. It reaches them not through a specific pipeline, but in a wide array of mediums that works best for them.

Finally, if a person happens upon information, either directly or through a medium such as a web site, from DHS, the University of Iowa, Department of Elder Affairs, Iowa Compass, I4A, the national 211 initiative, IFA, or any other group touching the lives of the elderly and the developmentally disabled, they get a funnel into everything available - Any Open Door.

d. Public Health and/or Safety

Explain requirements or impact on the health and safety of the public.
Response:
Each year may of our elderly population along with developmentally disabled find themselves in the hospital emergency room or even hospitalized when an earlier visit to a doctor would have prevented it. Many, unfortunately die as result of not getting services they were eligible for simply because of barriers to access. This type information and access shepherding is critical to health and welfare of these populations. We unfortunately read about these cases in the newspaper or see them on the news everyday.

[This section to be scored by application evaluator.]
<u>Evaluation</u> (10 Points Maximum)

- Minimally improves Customer Service (0-3 points).
- Moderately improves Customer Service (4-6 points).
- Significantly improves Customer Service (7-10 points).

[This section to be scored by application evaluator.]
<u>Evaluation</u> (15 Points Maximum)

- Minimally directly impacts Iowa citizens (0-5 points).
- Moderately directly impacts Iowa citizens (6-10 points).
- Significantly directly impacts Iowa citizens (11-15 points).

F. Process Reengineering

Provide a pre-project or pre-expenditure (before implementation) description of the impacted system or process. Be sure to include the procedures used to administer the impacted system or process and how citizens interact with the current system.

Response:
The best feature of this project is that no service overseeing organization or service provider has to modify their intake processes or service delivery procedures. This project is designed bridge information and service delivery.

Provide a post-project or post-expenditure (after implementation) description of the impacted system or process. Be sure to include the procedures used to administer the impacted system or process and how citizens will interact with the proposed system. In particular, note if the project or expenditure makes use of information technology in reengineering traditional government processes.
Response:
N/A

[This section to be scored by application evaluator.]

<u>Evaluation</u> **(10 Points Maximum)**

- <u>Minimal</u> use of information technology to reengineer government processes (0-3 points).
- <u>Moderate</u> use of information technology to reengineer government processes (4-6 points).
- <u>Significant </u>use of information technology to reengineer government processes (7-10).

G. Timeline

Provide a projected timeline for this project. Include such items as planning, database design, coding, implementation, testing, conversion, parallel installation, and date of final release. Also include the parties responsible for each item.

Response:

[This section to be scored by application evaluator.]
<u>Evaluation</u> **(5 Points Maximum)**

- The timeline contains several problem areas (0-2 points)
- The timeline seems reasonable with few problem areas (3-4 points)
- The timeline seems reasonable with no problem areas (5)

H. Funding Requirements

On a fiscal year basis, enter the estimated cost by funding source: Be sure to include developmental costs and ongoing costs, such as those for hosting the site, maintenance, upgrades, ...

	FY06		FY07		FY08	
	Cost($)	% Total Cost	Cost ($)	% Total Cost	Cost ($)	% Total Cost

State General Fund	$0	0%	$0	0%	$0	0%
Pooled Tech. Fund /IowAccess Fund	$300,000	86%	$0	0%	$0	0%
Federal Funds	$0	0%	$0	0%	$0	0%
Local Gov. Funds	$0	0%	$0	0%	$0	0%
Grant or Private Funds	$50,000	14%	$0	0%	$0	0%
Other Funds (Specify)	$0	0%	$0	0%	$0	0%
Total Project Cost	$350,000	100%	$0	100%	$0	100%
Non-Pooled Tech. Total	$50,000	14%	$0	0%	$0	0%

[This section to be scored by application evaluator.]

Evaluation (10 Points Maximum)

- The funding request contains questionable items (0-3 points)
- The funding request seems reasonable with few questionable items (4-6 points)
- The funding request seems reasonable with no problem areas (7-10)

I. Scope

Is this project the first part of a future, larger project?
☐ YES (If "YES", explain.) ☑ NO, it is a stand-alone project.
Explanation:

Is this project a continuation of a previously begun project?
☑ YES (If "YES", explain.)
Explanation:
This project is the bridge project between 2 separate stand-alone projects by 3 separate Agencies; DEA, DHS, DPH.

J. Source of Funds

On a fiscal year basis, how much of the total project cost ($ amount and %) would be absorbed by your agency from non-Pooled Technology and/or IOWAccess funds? If desired, provide additional comment / response below.
Response:
DEA is absorbing the DEA personnel related costs and all operational costs will be born by Federal and State Agencies and Projects.

<u>Evaluation</u> **(5 Points Maximum)**

- 0% (0 points)
- 1%-12% (1 point)
- 13%-25% (2 points)
- 25%-38% (3 points)
- 39%-50% (4 points)
- Over 50% (5 points)

Section II: Financial Analysis

A. Project Budget Table

It is necessary to <u>estimate and assign</u> a useful life figure to <u>each</u> cost identified in the project budget. Useful life is the amount of time that project related equipment, products, or services are utilized before they are updated or replaced. In general, the useful life of hardware is three (3) years and the useful life of software is four (4) years. Depending upon the nature of the expense, the useful life for other project costs will vary between one (1) and four (4) years. On an exception basis, the useful life of individual project elements or the project as a whole may exceed four (4) years. Additionally, the ROI calculation must include all <u>new</u> annual ongoing costs that are project related.

The Total Annual Prorated Cost (State Share) will be calculated based on the following equation:

$$\left[\left(\frac{Budget\ Amount}{Useful\ Life}\right) \times \%\ State\ Share\right] + \left(Annual\ Ongoing\ Cost \times \%\ State\ Share\right) = Annual\ Prorated\ Cost$$

Budget Line Items	Budget Amount (1st Year Cost)	Useful Life (Years)	% State Share	Annual Ongoing Cost (After 1st Year)	% State Share	Annual Prorated Cost
Agency Staff	$50,000	4	100.00%	$10,000	100.00%	$22,500
Software	$15,000	4	100.00%	$500	100.00%	$4,250
Hardware	$65,000	3	100.00%	$3,000	100.00%	$24,667
Training	$20,000	4	100.00%	$0	0.00%	$5,000
Facilities	$0	1	0.00%	$0	0.00%	$0
Professional Services	$185,000	4	100.00%	$0	0.00%	$46,250
ITD Services	$15,000	4	100.00%	$15,000	100.00%	$18,750
Supplies, Maint, etc.	$0	1	0.00%	$0	0.00%	$0
Other	$0	1	0.00%	$0	0.00%	$0
Totals	$350,000	---	---	$28,500	---	$121,417

B. Spending Plan

Explain how the funds will be allocated.

Response:

All funds will be spent in FY06. Funds will be spent in 3 major elements of the project; Requirements, programming, and training. The majority of the costs are for the programming personnel necessary to construct the project and building the linkages.

C. Tangible and/or Intangible Benefits

Respond to the following and transfer data to the ROI Financial Worksheet as necessary:

1. Annual Pre-Project Cost - This section should be completed only if state government operations costs are expected to be reduced as a result of project implementation. **Quantify actual state government direct and indirect costs** (personnel, support, equipment, etc.) associated with the activity, system or process prior to project implementation.
Describe Annual Pre-Project Cost:
Currently, an Iowan seeking service would be required to separately input elibility information into each system used to support the various programs. In many cases, they are required to fill out a paper application with personnel then keying this information into their system.

Many elderly clients within the Iowa Aging Network receive two or more services. In order to get those services, an application normally has to be filled out for each service. For example: there are 50,811 clients that applied for only one service. 10,789 additional clients applied for 2 services etc. Most of the clients who applied for two or more services filled out more than 1 applicatinon resulting in 5,000 duplicate applications. In the proposed system, the client will fill out one form and once the form is filled out once and is sent back to the Seamless system, the second application prepopulates applications for additional services. 5,000 duplicate forms times $10/ of client time has a value of $50,000. Currently, if the application is being filled out, it also requires a profesional to guide the client through the form. If we consider the 5,000 duplicate applications at 1 hour per application and a cost of a professional to guide the client at $30/hour, this alone carries a price tag of $75,000. These calculations do not even take into account the clients who applied for 3 or more services in addition to those clients in the developmentally disabled population. This figure is conservative!

Quantify Annual Pre-Project Cost:

	State Total
FTE Cost (salary plus benefits):	$75,000.00
Support Cost (i.e. office supplies, telephone, pagers, travel, etc.):	$10,000.00
Other Cost (expense items other than FTEs & support costs, i.e. indirect costs if applicable, etc.):	$0.00
Total Annual Pre-Project Cost:	$85,000.00

2. Annual Post-Project Cost - This section should be completed only if state government operations costs are expected to be reduced as a result of project implementation. **Quantify actual state government direct and indirect costs** (personnel, support, equipment, etc.) associated with the activity, system or process after project implementation.

Describe Annual Post-Project Cost:

The above costs are those that will be eliminated by creating the bridge between the Resource Center and SEAMLESS. This does not take into account other services from other Agencies who will be able to recieve the data and enhance their intake processes. This only takes into account the services provided and inquired on and recorded by the NAPIS system. This bridge will also impact the Case Management, Developmental Disability and many other services. It will bring additional satisfaction of the system by clients and the savings of hard dollars to the system because of the cut in redundancy and greater efficiency and effectiveness of the system. hard dollars because of decreased redundancy to bring clients into the system and more efficiently and effectively.

Quantify Annual Post-Project Cost:

	State Total
FTE Cost (salary plus benefits):	$0.00
Support Cost (i.e. office supplies, telephone, pagers, travel, etc.):	$0.00
Other Cost (expense items other than FTEs & support costs, i.e. indirect costs if applicable, etc.):	$0.00
Total Annual Post-Project Cost:	$0.00

3. Citizen Benefit - Quantify the estimated annual value of the project to Iowa citizens. This includes the "hard cost" value of avoiding expenses ("hidden taxes") related to conducting business with State government. These expenses may be of a personal or business nature. They could be related to transportation, the time expended on or waiting for the manual processing of governmental paperwork such as licenses or applications, taking time off work, mailing, or other similar expenses. As a "rule of thumb," use a value of $10 per hour for citizen time.

Describe savings justification:

Transaction Savings

Number of annual online transactions:	6
Hours saved/transaction:	1
Number of Citizens affected:	10,000
Value of Citizen Hour	10
Total Transaction Savings:	$600,000
Other Savings (Describe)	$0
Total Savings:	$600,000

4. Opportunity Value/Risk or Loss avoidance - Quantify the estimated annual non-operations benefit to State government. This could include such items as qualifying for additional matching funds, avoiding the loss of matching funds, avoiding program penalties/sanctions or interest charges, avoiding risks to health/security/safety, avoiding the consequences of not complying with State or Federal laws, providing enhanced services, avoiding the consequences of not complying with enterprise technology standards, etc.

Response:

5. Benefits Not Readily Quantifiable - List and summarize the overall non-quantifiable benefits (i.e., IT innovation, unique system application, utilization of new technology, hidden taxes, improving the quality of life, reducing the government hassle factor, meeting a strategic goal, etc.).
Response:
There are countless Iowans whose lives would be significantly better if they were able to receive the services they were entitled to. The unnecessary suffering in the elderly and developmentally disabled populations would be significantly reduced, perhaps the most important return of this project.

ROI Financial Worksheet	
A. Total Annual Pre-Project cost (State Share from Section II C1):	$85,000
B. Total Annual Post-Project cost (State Share from Section II C2):	$0
State Government Benefit (= A-B):	$85,000
Annual Benefit Summary:	$85,000
State Government Benefit:	$85,000
Citizen Benefit:	$600,000
Opportunity Value or Risk/Loss Avoidance Benefit:	$0
C. Total Annual Project Benefit:	$685,000
D. Annual Prorated Cost (From Budget Table):	$121,417
Benefit / Cost Ratio: (C/D) =	5.64
Return On Investment (ROI): ((C-D) / Requested Project Funds) * 100 =	187.86%

[This section to be scored by application evaluator.]

<u>Evaluation</u> **(25 Points Maximum)**

- The financial analysis contains several questionable entries and provides minimal financial benefit to citizens (0-8 points).
- The financial analysis seems reasonable with few questionable entries and provides a moderate financial benefit to citizens (9-16 points).
- The financial analysis seems reasonable with no problem areas and provides maximum financial benefit to citizens (17-25).

Note: For projects where no State Government Benefit, Citizen Benefit, or Opportunity Value or Risk/Loss Avoidance Benefit is created due to the nature of the project, the Benefit/Cost Ratio and Return on Investment values are set to Zero.

Appendix A. Auditable Outcome Measures

For each of the following categories, <u>list the auditable metrics for success </u>after implementation and

identify how they will be measured.

1. Improved customer service

Increase in target population number and percentage receiving services.

2. Citizen impact

Increase in number of target population group initiating eligibility processes.

3. Cost Savings

Number of eligibility processes initiated from Resource Center.

4. Project reengineering

N/A

5. Source of funds (Budget %)

6. Tangible/Intangible benefits

Feedback from target populations concerning access to services.